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YANKEE IMPERIALISM IN SPAIN

By

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BY VICENTE URIBE



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Note

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209

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Publisher's Foreword

ALTHOUGH NOT officially included in the Marshall Plan, Franco Spain, as this pamphlet demonstrates, is one of the most advanced Marshallized countries in western Europe.

Franco Spain lost its Hitlerite allies and protectors as a result of the fascist military defeat in World War II. But even before that war was over, U.S. finance capital had already fastened its tentacles on Spain, taking over the role of satrap of its bestial fascist regime. The guilt for the continued existence — in gross violation of the wartime agreements of the big powers to extirpate fascism everywhere — of this odious tyranny which does violence to the conscience of democratic humanity, rests squarely on the shoulders of the men of the trusts in the U.S. and of their imperialist satellites in Britain and France.

If the Truman Administration, willing servant of Wall Street in its mad drive for world domination, has not yet attempted officially to smuggle Spain into the United Nations, the Marshall Plan, the Atlantic military alliance, etc., it is only because its objectives are being carried out in devious ways behind the real

"iron curtain" — the shroud which surrounds the enthralled Spanish people — and because of fear of the actual, and even greater potential, outraged democratic opinion throughout the world. Indicative of the "unofficial" methods whereby American imperialism seeks to bolster Spanish reaction is the recent loan of \$25,000,000 to the Franco regime announced by the Chase National Bank.

To neutralize and counteract this profound public sentiment, the reactionary forces in the United States — heads of corporations, Senators and Congressmen, the big brass, self-appointed missionaries to Madrid, and not least of all, the hierarchy of the Roman Catholic Church — have launched a widespread campaign to vindicate the butcher Franco and pave the way for an open alliance with his barbaric regime. Needless to say, President Truman's Inaugural Address, with its anti-Communist fulminations so reminiscent of the late unlamented "anti-Comintern" axis, fits in admirably with this scheme.

The American people have long ago demonstrated their deep-going

hated for dictator Franco and the giant concentration camp to which he has consigned the heroic Spanish people. In the period to come, these feelings must be crystallized into a mass protest embracing the shops and communities, the countryside, the schools, the churches, against

any step for a rapprochement with Franco. Only such a demonstration of popular feeling will deter Wall Street from its depraved efforts to bolster the tottering Franco regime and transform Spain into a bastion from which an imperialist third world war can be let loose.

THE CALL ISSUED on March 11, 1948, by the Central Committee of the Communist Party of Spain brought to the attention of the Spanish people the aggressive plans of American imperialism which would convert Spain into a military base for its anti-Soviet and anti-democratic crusade, and into a colony of monopoly capital. These plans are facilitated by the policy of national betrayal of Franco and of Spanish reaction.

The Communist Party, conscious of its national duty, denounced from the very beginning the existence and the scope of these plans. In her report to the plenary meeting of our Central Committee, held in Toulouse on December 5, 1945, our General Secretary, Comrade Dolores Ibarruri, had already characterized the direction in which the efforts of the regime were geared, with these words:

Francoism had mortgaged Spain to a victorious German imperialism. Today, it transfers this mortgage to other groups, with the hopes of remaining in power.

Events have proved that the Communist Party was correct.

Today, it is no longer possible to

speak of the dangers of Wall Street domination *menacing* Spain, but of tangible facts, of concrete plans already in operation.

There are some people who believe that the exclusion of the Franco regime in the Marshall Plan represents evidence that Franco is receiving no aid from the Yankee imperialists. This is a grave error. Imperialist aid to the Falangist regime does not depend upon inclusion or exclusion of certain European countries in that plan of subjugation. The aid of the reactionary Yankee imperialists to Francoism is determined by their policy of securing rich deposits in Spain, of assuring to themselves military bases on the Iberian Peninsula, and of maintaining in power a government subservient to their mandates. The fascist character of the present regime, which enslaves the Spanish people, far from being an obstacle to the imperialists, is in fact the most appropriate regime for carrying out their plans. While the people are muzzled and live under frightful terror, the imperialists extend their claws over the entire national economy, secure strategic military bases from the Francoites, and establish themselves

as the masters of Spain and mentors of the traitorous Falangists. The imperialists are able to realize with impunity their enslavement policy thanks to the existence of the Franco regime. Basically this regime maintains its power by the aid given it by the Yankee imperialists.

The imperialists support Franco against the Spanish people. In exchange for this, they secure all the necessary facilities to control Spain in the fullest sense of the word, including the subordination of Falangism to Yankee imperialist plans for world domination.

Falangism cannot maintain itself in Spain without the support of reactionary international imperialism headed by Yankee imperialism. The Falangists on their part, sell the national independence and sovereignty of their country to their new masters. Each group pursues its own objective: the Falangists—to maintain their position; the imperialists—to force Spain to submit to their domination. It is a business among thieves, but the price is paid by the Spanish people who are subjected to an unspeakable state of misery and starvation, deprived of liberty and freedom, and forced to endure a painful calvary of terror at the hands of the band of Falangist assassins.

The American imperialists, quietly and without publicity, are securing control of vital sectors of our coun-

try, strategic as well economic, at an ever-increasing tempo. In the field of preparation for a new war, plans vitally affecting Spain have been elaborated to the minutest detail by the Yankee military organizations, and are being carried out with the closest collaboration between Falangist military chiefs and American air, naval and army missions. From the point of view of economic penetration, the Americans are securing strong positions at a very low cost.

The Americans are openly taking over the positions left vacant by the Nazis. It is perfectly clear that only the aid of the Anglo-Saxons, sometimes open and sometimes concealed, permitted Franco to remain in power after the military defeat of the Axis.

The new aspirants for world domination are interested in maintaining Franco in power, for it fits in conveniently with their policy of preparing for a new war. They can count on Franco as a docile lackey, ready to give in to every demand. They know that for a born traitor like Franco to change bosses constitutes only a normal act in a long history of betrayal for payment rendered.

Spain is easy prey for the Yankee imperialists as long as the Franco regime exists. The struggle of our people against Franco, a struggle for liberty, for independence and democracy takes on the character of a

patriotic struggle of national liberation, and is part of the great struggle against the incendiaries of wars and aspirants for world domination which on an international scale is carried on by the democratic and anti-imperialist camp headed by the Soviet Union.

The struggle of our people, a struggle which has prevented the consolidation of the Franco regime, constitutes a most serious obstacle to the realization of the Yankee-Falangist plans. The imperialists, therefore, are making every effort to consolidate the Franco regime by maintaining the disunity of the republican camp, using agents like Prieto who presents the Yankees as "democrats" and who underestimates the glorious struggle of the working class and of the Spanish people.

Prieto and his kind, acting under orders from the imperialists, throw out feelers to the Falangists to form a united front with them of lackeys and servants of the dollar magnates. Prieto, like the imperialists, does not want democracy for our people nor is he anxious to safeguard the national independence. He only searches for the best means of solidifying the remnants of naked Spanish reaction in order to serve better the enemies of our people, the enemies of democracy and of socialism.

He, therefore, advances and defends the thesis that the problem of

Spain can only be solved by the Yankee imperialists. This "solution" is none other than the formation in Spain of a broad reactionary front, extending from Prieto to the Falangists! Such is the "solution" advocated by this man who cynically calls himself a socialist. For Prieto, the solution of the Spanish problem reduces itself to his having a more prominent position in the stable of lackeys of reaction and imperialism.

Prieto completes his services to imperialism by defaming our glorious war of national liberation and the persistent and continuing struggle of the Spanish people who refuse to bend or to submit to the Falangist regime.

Our people have known the first fruits of a genuine popular democracy. And Spanish reaction, which opened the doors of our country to foreign invaders, remains forever branded with the stigma of national betrayal.

The heroism of our struggle against the fascist invaders awakened the admiration and the enthusiasm of millions and millions of plain people throughout the world, who were our allies then and who continue to be our allies today. The fascist Franco regime was condemned, without any possible redemption, by the conscience of the world democratic forces.

Franco has not succeeded in imposing his "peace" nor in defeating

the movement of popular resistance. On the contrary, the struggle extends and takes on even broader forms. The guerrilla groups grow and consolidate and organize around themselves an authentic and powerful movement of national union. Far from destroying our Party, everyone is forced to recognize that today its influence, its organization and its vanguard role is increasing.

The imperialist bosses are uneasy as a result of the militant activities of our people. Thus, we witness the renewed efforts of agents of reaction in the republican and democratic camp. Thus, we see the "resurrection" of Prieto who had himself declared a corpse and was buried back in 1940. Thus, the vile activity of Falangist provocateurs in the ranks of the C.N.T.,* such as Borras and Garcia Pradas, all of whom strut without shame as the servants of Wall Street imperialism.

The resistance of the people and their condemnation of men like Prieto offer serious difficulties for the imperialists in their attempt to form openly a front extending from the old Falangist guard to Prieto and the anarchist provocateurs. But it does not mean that in the overall pattern of the Yankee imperialist plans all the threads do not converge and that they have not long ago assigned posts and tasks to their agents.

* National Confederation of Workers — Anarcho-Syndicalist.

Therefore, at the same time that Prieto is active from Bordeaux and makes his cynical offer to the great Franco financiers and the old guard of the Falange, he redoubles his infamous efforts to divide the republican forces and to destroy the prestige of the Republican institutions among the people.

The ignoble anti-Soviet and anti-Communist campaign to which Prieto, as well as the Falangist agents of the C.N.T., dedicate their every effort and energy, and also their press, is nothing more than another pillar in the framework of the imperialist plans.

Andrei Zhdanov, in his historic report to the meeting of the Information Bureau of the nine Communist Parties, held in Poland at the end of September, 1947, said, in analyzing the fundamental changes taking place in the world situation since the end of the Second World War, and in characterizing the policy of the United States:

The U.S.A. has proclaimed a new, openly predatory, expansionist orientation.

The new, openly expansionist orientation of the U.S.A. has as its aim the establishment of the world domination of U.S. imperialism.

. . . the new orientation of U.S. policy involves a broad program of a military, economic and political character. This program aims at the establishment, in all the countries that are

the object of U.S. expansion, of the political and economic domination of the U.S.A., thus reducing these countries to the position of satellites of the U.S.A. . . .*

Spain is directly menaced by the expansionist policy of the United States. Let us examine a few of these measures of a military, economic and political nature which the United States is putting into practice to assure the realization of their aggressive plans in our country.

U.S. BASES IN SPAIN

Let us begin with the measures of a military nature.

As early as November, 1944, as soon as the glorious victories of the Red Army made evident for Franco the fate which awaited the Hitlerites, a treaty was signed which turned over to the Yankees the airport at Barajas (Madrid), along with plans for its expansion and development for greater service. In January, 1945, the Americans were given the rights to use all airports in Spain and, according to a later treaty, they were authorized to use these fields for the movement of American troops to bases in Europe.

From then on, the Yankee-Franco collaboration in the field of air preparations has continued without interruption, directed by the American Air Mission which, together with the

* *Political Affairs* December 1947, pp. 1093-1094.

Army and Naval Missions, functions in the United States Embassy in Madrid and in the old headquarters which the Nazis had set up in the capital of Spain.

The air preparations include, not only the construction of numerous strategic airfields situated on all of the Peninsula, in the Balearic, and Canary Islands, Morocco and Africa, but also the establishment of a complete system of radio-telegraphic communications, signals, installations for night flying, experimental laboratories, etc. Recently, the first experimental flights of pilotless planes took place, with material and technicians supplied by the American Mission. The acquisition by Franco of the latest type of jet-propelled planes from Britain has lately been announced.

With regard to the construction of airdromes, work is going on at a very rapid pace. To date, 70 airdromes have been completed, classified as follows: four with paved landings of more than 2,500 yards capable of landing the longest-range, trans-oceanic bombers; four fields handling transcontinental planes to insure communications with Africa; seven fields with landings of 2,000 yards and forty-five interior airdromes. In 1939, the airfields occupied 2,000 hectares; in 1947, they occupied over 14,700 hectares and the installations continue to increase.

Proof of the reason for construct-

ing these airdromes can be found in the absolute disproportion between their number and the civil aeronautic requirements of Spain. Spanish airlines own a total of twenty-seven planes. There are seventy airdromes, that is, more than two airfields for each plane.

THE STRATEGIC PLANS IN AFRICA

As is known, the Americans look upon utilizing Africa as a rear-guard base for their aggressive plans in Europe. In this sense, the strategic position of Spain is of major importance.

On March 14, 1947, the Air Attaché of the American Embassy in Madrid, Colonel Johnson, the Adjutant Air Attaché, Commander Duffie, and the Governor of Spanish West Africa, Colonel Bermejo, initiated an inspection tour of the airfields of Spanish West Africa: Villa Cisneros, El Aouin, Cabo Jubý and Ifni. They wanted to study the means of implementing American air plans in this zone.

In the autumn of 1947, General Garcia Escamez, Captain General of the Canary Islands, visited the United States and had several interviews with the American Chief of Staff.

On December 3, 1947, Franco received General T. B. Wilson. The Franco press maintained absolute silence about this visit which became

known only through the listings of persons attending the audiences of this butcher of the Spanish people. But who is this General T. B. Wilson? He is in charge of the realization of the strategic American plans in Africa. His primary task is to establish a network of air bases which, along the coasts of West Africa and crossing through its center, would form a chain to the great air-naval base which the Yankees have constructed in Bassorah, in the Persian Gulf, so as to menace the oil fields of Baku in the Soviet Union. The basic link in this network is the air base in Bata in Spanish Guinea.

On January 10, 1948, one month after the interview of Franco and Wilson, the Franco Government announced the visit to Africa of a ministerial mission composed of General Gallarza, Minister of Air, and the Ministers of Agriculture, Industry and Commerce. The first effective result of this visit was the decision to build in Bata a gigantic trans-oceanic airport which was declared as "of primary national interest" and on which construction was begun February 8. Simultaneously, work already in progress for the construction of a naval base in Bata and in the port of Santa Isabel, capital of the island of Fernando Poo, was speeded up.

On May 10, 1948, the American correspondent, Henry Buckley, reported from Madrid, the arrival in

Fernando Poo and Bata "of American experts in maritime and air transport."

But the Wilson mission was not limited to Equatorial Africa; it also included Morocco. Two days after the interview with Franco, on December 5, the Secretary of the American Embassy in Madrid, John Y. Miller, left with instructions for Tangiers. On December 30, Mr. Edwin A. Plitt, Minister of the United States in Tangiers, accompanied by the First Secretary of the Legation, left for Tetuan to interview the High Commissioner, General Valera.

Wilson is at present in Addis Ababa (Ethiopia) directing two American enterprises: The Ethiopian Air Line and the Ethiopian Company for the Development of Commerce and Industry.

In relation to the progress of these plans, the conclusion of an agreement on February 14, 1948, between the United States and Portugal must be mentioned. It grants the United States the right, for three years, to use the air bases of the Azores. Also to be noted is the American decision, announced on January 15, to reconstruct and expand the air bases at Benghazi and Tripoli, in Libya.

NAVAL COOPERATION

No less active is the American Naval Mission in Spain. The Franco *Official Bulletin* continuously pub-

lishes reports relative to the dredging of ports and improvement of facilities, principally those which, like Vigo, Santa Cruz de Tenerife, Cadiz, Melilla and Barcelona, may be called upon to render more direct service as landing bases and depots for the American Army. After the visit to Madrid, from February 3 to 6, 1948, of Vice Admiral Forrest P. Sherman, Chief of the Mediterranean Fleet of the United States, we saw a complete reorganization of the offices of the Director General of Material and the Director General of Construction and Naval Industries. Simultaneously, there was a complete reorganization of the high command of the Navy, by placing in top posts personnel most acceptable to the Americans, in accordance with the system which the Americans have openly been employing in Greece.

On February 16, 1948, there was held in Maza (Portugal), under the pretext of a game hunt, a military reunion in which the Portuguese Minister of War, the Falangist Ambassador, Nicolas Franco; General Garcia Valino and General Rada, and the Military, Air and Naval Attachés of the United States Embassy, and the Minister Counsellor of the American Embassy, J. Kanthaky, and the Portuguese Generals Barrios Rodriguez, Luis Sapaio, Alberto Botelho and Higinio Barata, all took part. Coinciding with this gathering

the best-known Anglo-Saxon military commentators, General Fuller (British) and Baldwin of the *New York Times*, published studies concerning the strategic importance of the Iberian Peninsula in the framework of the military plans of the Wall Street imperialists.

Following the pattern made classic by the Nazis, scores of high American military leaders, in the guise of peaceful commercial travelers, cross our land from one point to another. General Doolittle, ex-commander of the Pacific Air Zone, in company with Colonel Bader, visited Spain as representatives of the Shell Oil Corporation; Mr. Conrad Hilton, president of an enterprise controlling the

largest chain of hotels in the world, is at present visiting Spain to extend his activities to our country, and he is being accompanied by Colonel J. P. Binns, "partner" in his business. On July 12, the American Admiral, William Alexander Glassford was expected to arrive in Barcelona in connection with a television exhibit "on behalf of an American concern." But, the fact of the matter is, that Admiral Glassford, who speaks Spanish fluently, happened to be in 1942, the one who, as Aide to General Eisenhower, prepared from French West Africa the landings of American troops in North Africa. Many more such instances could be reported.

IN HIS LAST REPORT to the Conference of the Nine Parties, already referred to, Comrade Zhdanov stated:

The economic expansion of the United States is a very important part of its strategic plan. American imperialism, taking advantage, like any common usurer, of the difficulties of the European countries, especially with regard to lack of raw materials, fuel and food, is dictating its terms for any aid rendered. The more serious the economic situation of a country, the harder the terms of the American monopolists.

Everybody is acquainted with the seriousness of the economic situation of Spain; her industries and agriculture in complete ruin, hunger and misery everywhere, thanks to the infamous Franco regime. American imperialism is exploiting this disastrous economic situation just as they exploit the need of the Falangists for the political support of imperialist reaction against the people and democracy, so that they can make the knot of financial dependence even tighter, so that they can seize—with very little effort and at very small cost—the basic elements of the economic life of the country. Yankee

imperialism is trying to convert Spain into an American colony.

On March 31, 1948, the House of Representatives of the United States Congress, approved the inclusion of Franco Spain in the Marshall Plan. It was the indignant protest of the democratic forces that compelled them to retreat for the time being.

Franco, in his statement to the Peruvian newspaper *La Prensa* (June 28, 1948) laments the fact that "Spain is being kept from *openly sharing* in those benefits." The hangman of Spain complains that he is not being paid sufficiently for his crime. The protests of world democracy are a serious obstacle to the crooked deals between Franco and the imperialists.

The main purpose of the Marshall Plan is to strengthen the position of American monopolists, to subjugate and to place the capitalists of Western Europe in a dependent position. But the Marshall Plan is only one of the many means which American imperialism has for carrying out its postwar plans; it is not the only one.

In Spain, the economic penetration of American imperialists is being carried out in various ways:

a) Through the extension of the interests they already held in Spain, by strengthening their control of Spanish enterprises, or extending their activities to those fields which to date have remained outside the reach of foreign penetration.

b) By other means:

1) Through the transfer of German assets to U.S. monopolies;

2) Through the international trusts under American hegemony, which monopolize entire sections of production and bring under their complete control the various enterprises engaged in production; the fields include the various trusts, such as the chemical, aluminum and fertilizer industries, artificial fibers, plaster and synthetic products, construction of electrical supplies, the glass industry, etc.;

3) Through the transfer, under American control, of the international partnerships which already had large interests in Spain, such as the chain of electric enterprises Sofinasa-Sidro-Chade-Barcelona Traction; the Nestle and Anglo-Swiss Holding Co. Ltd., milk products; the Hispano Suiza motors and automobiles; Philips Gloeilampenfabrieken radio and electrical equipment, etc.;

4) The acquisition by Americans of the control of parent companies which had affiliates in Spain, as in the case of Italian enterprises;

5) The ousting of other imperialist powers, especially France, England

and Belgium, from the favorable positions these occupied.

c) The use of economic pressure, such as the granting or denial of credits, monopoly in the supply of raw materials, and setting the prices for foreign trade.

So many and such different things are happening that it is impossible to cover all these activities in detail. We shall limit ourselves to giving some idea of the degree of control which the Yankees are gaining over Spain.

OIL

American monopolists already occupied an important position, even before the war, with respect to liquid fuel. Today they have gained complete control over this field.

The report of CAMPSA for the fiscal year 1946, reveals the talks had with Shell Oil, Standard Oil of New Jersey, and Caltex of Texas. In June, 1947, an agreement was reached with Standard Oil for the supply of 360,000 tons of oil for four years, in exchange for Spanish goods.

But, what is much more serious, Franco has already laid the ground for turning over CAMPSA to American oil companies. On July 16, 1947, the so-called parliament approved a proposal for the reorganization of the petroleum monopoly. His real intentions were expressed in the speech of the Assistant Secretary of the Treasury of the Franco

government, Fernando Camacho Banos, at that time, as follows:

As to the method of operation of the monopoly, it has not been deemed advisable to have it managed directly by the State, since a government organization would not be adequate to operate the industry. It was necessary therefore to enter into an agreement for the operation thereof with private industry.

All the business of the distribution of oil is in the hands of the Americans. All American oil companies have affiliates in Spain. We shall cite the largest: SAEL, an affiliate of the Gulf Oil Corp.; Vacuum Oil Company and Vacuum Oil Company of the Canary Islands, whose President, Walter F. Smith, is also the Chairman of the Madrid Committee of the American Chamber of Commerce in Spain; the Texas Company; Georgia Oil; Atlantic Oil and Atlantic Refining Co. of North Africa; Trust-Oil, an affiliate of M.C.D.D. Oil Products Co. of New York.

A typical example of the transfer of British interests into the hands of the Yankees is the "Spanish Oil Company Shell," which was an affiliate of the Royal Dutch Shell, an Anglo-Dutch Oil trust. Today this trust is so closely connected with the Yankees that the American General James H. Doolittle has been appointed Vice-President of the Shell Union Oil Corporation.

The most important oil enterprise in Spain, after CAMPSA, is the "Compania Espanola de Petroleos, S. A." (Spanish Oil Company), which is closely connected with Standard Oil. It owns the only large refinery in the country at Santa Cruz de Tenerife and has its own fleet of tankers. On its Board of Directors are outstanding Falangists, such as Demetrio Carceller and Jose Maria de Areilza, Franco's Ambassador in Buenos Aires.

Through this enterprise, and in close collaboration with the National Institute of Industry (INI)—the Falangist organization which was created to facilitate the penetration in Spain of Nazi capital—the Yankee imperialists have created a project which will not only put into their hands all the facilities for distilling and refining of oil which Spain possesses, but which fits perfectly into the plans for American expansion in Europe and preparations for a war.

On January 24, 1948, Francisco Recasens Mercade, a member and Secretary of the Board of Directors of the Spanish oil company CEPSA, left for New York. The purpose of his visit was to straighten out the last details of a plan agreed upon for the refining of the oil from the Middle East in Spain, for shipment to the European markets and for the strategic needs of the Yankees in Europe, thus doing away with the roundabout way of getting the crude oil to the United States for refining.

there. According to information published in the *Diario de la Marina* of Havana, on June 13, in *La Vanguardia* of Barcelona, on May 23, and in *El Economista* of Madrid on July 3, 1948, the new company is to be organized with a capital of 40,000,000 dollars, of which INI (National Institute of Industry) will contribute one-half in pesetas and in property it owns (refinery under construction in Cartagena); 25 percent by Caltex (California Oil and Texas Oil Company) and the other 25 per cent by CEPESA (Spanish Oil Company) already the affiliate of an American company. The American contribution will be in dollars, machinery and technical aid.

The new company will undertake: Construction (already commenced) of a new unit for the refining of 5,000 barrels per day, in the Tenerife refinery;

Enlargement of the refinery under construction at Escombreras (Cartagena) which to date appeared as the property of the *Empresa Nacional Calvo Sotelo* of the National Institute of Industry;

Construction of a new, large refinery at Tortosa (Tarragona) and possibly another in Baleares.

The National Institute of Industry is negotiating at the present time to have a company which was started by the Germans for distilling oil from bituminous slate at Puertollano, Petrolifera Popular Manchega, the development of which has been ne-

glected since the defeat of the Nazis, also included in the new American plan.

American companies are making every effort to locate oil in Spain. To this end the *Compania de Investigaciones y Explotaciones Petroliferas, S.A.* (Company for the Prospecting and Exploitation of Oil) with capital of the Spanish Oil Company and the Socony Vacuum Oil Company has been formed. The Spanish Oil Company is represented on the Board of Directors of this Company by Francisco Racasens, and the Socony Vacuum by Mr. J. A. Bertin.

The greatest drilling is carried on in Oliana (Lerida) under the direction of the American engineer, Mr. Vener Jones, and preparations are being made to extend this to the Olius area, 25 kilometers from the first point, and at Burgo de Osma.

For its part, CAMPSA, in collaboration with the Oil Well Supply Company of the United States, is carrying on drilling in Villaescusa del Butron and Villarcayo (province of Burgos). Other attempts are being made at Chiclana de la Frontera (Cadiz), Puente Cesures (Pontevedra) and in Morocco.

Franco is turning over the ports of Spain to the Yankees, on terms comparable only to the establishment in the ports of China of international concessions since 1890. The Falangists recognize this fact cynically and without shame, in their own newspapers. *Arriba* of June 12, 1948,

publishes a report relating to the Puerto de la Luz (Las Palmas, Canary Islands), under the title of "Concession to the lands of the Isle will be granted for the establishment of liquid fuel plants by American companies," stating:

The total area affected by the concession is one million square meters, in round figures. These lands will be put into condition so that such plants can be installed thereon. At the present time, the following foreign companies are established at Puerto de la Luz: Spanish Oil Company, Coy Brothers, Vacuum Oil Company of Canary Island, and the Texas Company, and Spanish Oil Company, Cory Brothers, the Standard Oil, CEPESA, and Caltex having filed petitions for concessions.

And yet there are those in the republican camp who say that we Communists are merely propagandizing when we charge that Franco is selling Spain to the Yankee imperialists!

ELECTRIC POWER

The Americans, through various means and devious methods are gaining control of the production and distribution of electric power, the most important in the economy of Spain from the point of view of capital investments (4,539,128,368 pesetas principal plus 1,586,503,966 pesetas in bonds).

Most of the electric enterprises of Western Europe are controlled by a gigantic trust made up of SOFINA,

SIDRO, CHADE and Barcelona Traction. Although they appear to be individual companies, they are really a combine of enterprises, originally controlled by the firm of Morgan of the United States, the German AEG and Krupp, together with the *Société Générale de Belgique* (Belgian corporation), and the Bank for Electric Enterprises of Zurich, and the Midland Bank of London.

The visible head of this gigantic combine is the *Société Financière de Transports et d'Entreprises Industrielles* (SOFINA—Transport and Industrial Enterprises Financing Company), whose director-representative is Dannie Heineman, of German origin, former representative of the AEG in Brussels, and who today travels all over under American protection.

During the war, Heineman transferred the control of all these enterprises to the United States, creating a company known as Services Inc., which is none other than SOFINA with an American name.

As regards CHADE, during our war, in order to get it out of reach of democratic Spain, it was transferred completely to a company organized in Luxemburg on December 20, 1936, under the name of *Société d'Électricité* (SODEC). In 1940, it was transferred to Panama, under the name of SOVALLES Inc. On August 19, 1947, the SODEC was reorganized in Luxemburg; and at

the present time CHADE stock is being exchanged for SODEC.

On October 12, 1947, the American press announced the appointment of Mr. George S. Messersmith, former American Ambassador in Mexico and the Argentine, as President of SODEC, which completely controls CHADE. Messersmith is the man who as American Ambassador in Mexico held frequent talks with Prieto, to whom he transmitted the orders and instructions of the American State Department.

Dannie Heineman, who in addition to being a director-delegate of SOFINA, is Vice-President of CHADE and a director of Barcelona Traction and of SIDRO, visited Madrid in June of 1946. He has returned again to straighten out certain conflicts of interest which arose with the Juan March group and the Franco administration. In some circles such difficulties are presented as fundamental differences, whereas as a matter of fact, it is merely a question of conflicts between horse traders, in which it is only a question of how many places the Juan March group will occupy on the Board of Directors of the affiliates located in Spain, and the amount of dollars which the Falangists will receive to cover up an attempted fraudulent transaction with the mortgage bonds of Barcelona Traction. The only important thing is that all the businesses which in Spain are dependent upon this chain of big enterprises have

passed under the control of Americans. We cannot enumerate them all here: suffice it to say that they include the fields of production, distribution and development of electric power, water supply plants, from Alto Aragon to Alicante, including all of Catalonia, as well as the Electric Company of Seville and the National Company of African Colonization (ALENA), the large colonial enterprise of Guinea.

The other large group of electric enterprises in Spain is controlled by the Iberian Hydroelectric Company (IBERDUERO), which has a capital of more than 1,000 million pesetas. The Spanish capital is principally Basque, of the banks of Bilbao and Biscay; but there is a large share of American capital of the General Electric (Morgan group) which has two members on the Board of Directors of IBERDUERO: E. Arthur Baldwin and Clark Haynes Minor.

The relations between this large enterprise and the General Electric are constantly growing. *El Economista* of April 6, 1947, writes in this connection:

The IBERDUERO group continues faithful to the American supplies because of the interlocking interests with General Electric.

The same *El Economista* on April 17, 1948, revealed that "an important representative of the American group will come to Spain shortly to inspect the IBERDUERO enterprises." At

the same time, two individuals of that group, Messrs. Herran and Arteche (son) have left for the United States to find a solution for the financing of the enterprises.

IBERDUERO controls the electric business from Navarra to the Portuguese border, and interlocks in the center of Spain with the Hydroelectric Company of Spain, which, in turn, is tied in with General Electric.

In his talk to the meeting of shareholders held in April of this year, the President of the Hydroelectric Company, Jose Maria de Oriol y Urquijo, gave praise and expressed his appreciation to the General Electric Company for services it has been rendering to the Company. In the month of July of this year, John L. Savage, American engineer of General Electric, arrived in Spain to make a survey and plans for the utilization of the Tajo river, which is controlled by the Hydroelectric Company of Tajo, one of the affiliates of the Spanish Hydroelectric Company. Another of its affiliates, the Madrid Electric Company, enjoys a concession for the lighting of the capital of Spain. One of the directors, Octaviano Alonso de Celis, a Falangist and first Assistant Mayor of Madrid, recently visited the United States.

In the Northeast of Spain another electric group is being formed through the interrelations of the

Northeast Electric Power Company of Spain (FENOSA), the Galician General Electric Company, *Saltos de Sil* (Sil Waterfalls), the Electric Company of Leon and *Saltos del Nansa* (Nansa Waterfalls). This group is directly under the control of the Central Bank, whose President, Ignacio Villalonga Villalba, is an old American agent, president of CEPSA and a buddy of Juan March, with whom he completed a merger of his business in 1947.

Villalonga spent several months of this year in the United States, together with Emilio Botin and Juan Antonio Bravo. Upon their return, they made certain statements to *El Economista*, published on June 26, 1948, declaring that they had arrived "at an agreement in principle, which remained now to be put into practice" with the American companies.

If we bear in mind that Villalonga, Botin and Bravo, in addition to controlling the electric industry of the Northeast of Spain, are also members of the Board of Directors of *C. A. Mengemor* and of the Chorro Hydroelectric Company, which control the production and distribution of power in Andalusia, we reach the conclusion that the Americans already control, are about to control, or are being offered the control of all of the enterprises connected with the production and distribution of electric power throughout Spain.

IF FROM THE SECTOR of production and distribution of electric power we pass to that of manufacture of electrical products and machinery, we find the same picture. The Yankee monopolies have dominant positions in the sphere of production. All of the great American trusts are reinforcing their positions in Spain.

To do this, they employ a very simple process. The Yankee trusts possess great quantities of machinery, product of the reconversion to industrial usage after the war, which if it were to remain in the United States would have to be converted into junk. Through their affiliates, and directly through the loan of capital, these trusts send this machinery to Spain, selling it as new machinery. In this manner, spending hardly a cent, the imperialists extend the scope of the operations of their affiliates at the same time buying their way into new enterprises.

The Morgan group, through the International Telegraph and Telephone and the International General Electric Company, their two branches in the field of electrical business, are realizing, thanks to Franco, their old plan of complete control over the

communications system in our country.

Well known is the case of the *Telefonica* (Telephone company). Since 1945, Falangist propaganda has trumpeted the "rescue" by Franco of the *Telefonica*. This is one of the most open cases of cynicism on the part of the Falange. In reality, Franco has contracted a debt of 50 million dollars in gold bonds with I.T. and T. in exchange for 318,640 shares of stock owned by the Morgan group in the *Telefonica Espanola* (Spanish Telephone). However, this in no way prevents *Telefonica* from being a Yankee dependency. On the contrary, American control has been reinforced through an agreement concluded in October, 1946; and in the annual Report presented to the stockholders at a meeting on May 25, 1948, there appear as delegates of the I.T. and T. to the Council of the *Telefonica* none other than Mr. G. A. Ogilvie, as Vice President, and George H. Dennis, Nils F. Trumpy and Robert N. Walsh as board members.

The other affiliates of the I.T. and T. in Spain are the following:

Standard Electrica, S.A., with cable

plants in Muriedas and Maliano (Santander) and a plant for the manufacture of telephone equipment in Madrid. The Marquis de Urquijo sits on the Council of the Standard surrounded by three American Vice Presidents: Francis White, Fred T. Caldwell and Nils F. Trumpy. The Standard has doubled the volume of its business in 1947, obtaining with a capital of 30 million profits to the amount of 13,828,545 pesetas.

The *Sociedad General de Cables Electricos, S.A.*, with a capital of 10 million pesetas.

The *Mackay Radio and Telegraph Company* which has erected a transmitting and receiving station in Charf-el-Akab, south of Tangiers. (This enterprise is in charge of all military transmissions of the American forces in Europe.)

The *Marconi Espanola, S.A.* and the *Transradio Espanola, S.A.* and the *Empresa Nacional Torres Quevedo* in charge of the radio-telegraphic services in Spain, Morocco and the African possessions. All of them are affiliates of the Cable and Wireless Holding, Ltd., an Anglo-Saxon enterprise closely linked to I.T. and T.

On its own, International General Electric controls the following enterprises in Spain:

La Compania General Espanola, S.A. whose direction is shared by a well-known Basque financier, Pedro de Careaga y Basabe (Count of Cada-

gua), the Falangist, Jose Maria Areilza, and the American Clarence M. Popp.

The *Compania General Espanola de Electricidad* which manufactures the lamps bearing the trademark, "Metal," and the *Osram, Fabrica de Lamparas, S.A.*, an old German firm now controlled by the Americans.

The *Sociedad Iberica de Construcciones Electricas, (S.I.C.E.)* presided over by another Basque capitalist, Julio Hernandez Mendirichaga. In 1947, he bought in Aravaca (Madrid) 100,000 square meters of land to enlarge his factories. This operation coincided with the addition to his Administrative Council of Mr. Roger Herod and Mr. Kenneth K. Boynton. President and Vice President, respectively, of the International General Electric.

The *Sociedad Espanola de Construcciones Electro-mecanicos*, one of the most important electrical construction enterprises in Spain, whose President is Julio de Arteche, who is also President of the Bank of Bilbao. Of the capital of 100 million pesetas, 25 million belong to General Electric. The company is enlarging and improving the three plants it owns in Spain.

The *Compania Hispano Radio Maritima, S.A.* whose responsibility it is to supply the ships of the Spanish merchant marine with radar from General Electric.

Another affiliate recently organized

by the General Electric known as *Andiesa* is directly related to the strategic Yankee-Falangist plans. They supply electrical materials for air training camps, radio equipment for the Army, Navy and Air Force, portable transmitters and ultra short wave radio-telegraphy.

The group of the Westinghouse Electric International Company has two affiliates: the *Constructora Nacional de Maquinaria Electrica* headed by Julio de Arteche and the *Sociedad Espanola de Frenos, Calefaccion y Senales*.

These facts clearly reveal that the Yankee monopolies have placed, at the head of their electrical plants in Spain, the great Basque capitalists: Urquijo, Arteche, Careaga, Mendi-richaga. In close collaboration, they are increasing in a fabulous manner their profits and daily pushing Spain more toward becoming a complete Yankee colony. All of this, protected by the increasing terror of the regime and at the cost of hunger to the workers and terrible misery to our people. This dependency upon Yankee imperialism explains the "Marshallian" fervor which has seized the great capitalists and their agents in the Republican camp, such as Prieto and other Basque Nationalist capitalists, Falangists, capitalist tycoons. Right-wing socialists like Prieto and certain leaders of the Basque Nationalist Party are now seen plainly by our people as working for their

true owners: the American imperialist aggressors.

Do not think that such negotiations are limited solely to the electrical field. On the contrary, dozens of such cases in the most varied branches of the national economy can be cited. However, lack of space prevents our doing so. We will, therefore, add one more which speaks for itself.

In the field of metal manufacturing, the Worthington Pump and Machinery Corporation has two affiliates in Spain: the *Bombas y Construcciones Mecanicas, Worthington, S.A.*, and the *Sociedad Espanola de Construcciones Metalicas*. Both are controlled by the Urquijo. Luis de Urquijo y Landecho is the Vice President of the former and according to the *Economist* of May 15, 1948, Worthington has just expanded its affiliate's capital to 5 million pesetas. The company has acquired the most modern machinery for their work from the Worthington Pump and Machinery company; in exchange for this machinery the Worthington Corporation will extend their participation in the above-mentioned Spanish concern.

The Marquis de Urquijo is the Honorary President of the *Sociedad Espanola de Construcciones Metalicas* while Luis de Urquijo y Landecho is the President. This enterprise is also undergoing complete expansion, that is to say that the Americans also have their claws in it. The *Econ-*

omist of March 6, 1948, states: "The Worthington and the *Sociedad Espanola de Construcciones Metalicas* have reached an agreement to collaborate in the production of new types of pumps. A new plant to be used for this purpose will be erected by the *Sociedad Espanola de Construcciones* at Linares, thus extending and broadening the industrial co-operation between these two firms."

The announcement of the expansion of these two American firms which are controlled by the Urquijos in Spain has coincided exactly with the designation of Howard Bruce, member of the Administrative Council of the Worthington Pump and Machinery Corporation, as an assistant administrator to P. G. Hoffman in the direction of the Marshall Plan and head of the delegation of the office of said Plan in France. Bruce has been in Paris now for some time, where his relations with Urquijo and his activities in Spain will be considerably facilitated.

AMERICAN PENETRATION OF THE PUBLIC SERVICE

The public services constitute an indispensable element in the integrity of the national sovereignty. It is a characteristic mark for colonies to have their public services controlled by the imperialist power. We have seen how the Americans control telephonic communications, radio-teleg-

raphy, the airlines through the medium of *Iberia* and liquid fuels. Now, they attempt, with the servile complicity of the Falangist traitors, to extend their dominion over every aspect of the economy.

The catastrophic situation in which the railroads find themselves is rather well known, and the necessity which exists for complete renovation not only of rolling stock and installations but even more important of the tracks themselves. It is known that the traffic of merchandise at present represents only 86 percent of that for the corresponding period before 1936. The Francoites, faced with a situation which their own incapacity has created, maintain that Spain is not in a position to reconstruct her railroads and that the only solution is to turn them over to the Americans.

In developing these plans for transfer, they commenced with the electrification project in order to continue the establishment of electric signals and safety systems, and end, at present, with projects covering the total Spanish railway system.

In the discussions before the Parliament of the plan for electrification in April, 1946, Pedro Gonzalez Bueno, director of the project, said:

We have started a contest among technicians of foreign concerns who specialize in these constructions, asking their aid and co-operation, which can extend to the offering on their part of

credits in the form of prime materials, finished products and machinery and tools.

Not in vain is Pedro Gonzalez Bueno, an old dog at the service of the Yankee, member of the administrative councils of two enterprises, the *General Electrica Espanola* and the *Sociedad Iberica de Construcciones Electricas*.

The Minister of Public Works, General Fernandez Ladreda, in a statement made public by the Franco press on January 31, 1947, relative to the establishment of a system of electrical signals and of safety devices, stated:

It is interesting to note that at this moment they are examining the bids which the various foreign concerns have formulated in order to participate in the execution of this program to which they will contribute their patents and technical processes.

In the autumn of 1947, Franco sent Jose Luis Escario, an engineer, who was Sub-secretary of Labor in the first Franco Government, member of the Parliament and of the Commission for Public Works, to the United States. Escario carried the concrete plans of Franco for the transfer of the railroads. Upon his return, on October 23, 1947, he was received by Franco to tell him the results of the negotiations and on October 30, he delivered a lecture to

the Institute of Construction and Planning where he expounded in detail on the scope of the plan:

The railroads [he said] are run by a state organization which is an error in principle and find themselves in a situation which is difficult to overcome. The R.E.N.F.E. (National Railway System) cannot restore our railroads to good condition for a long time, since the national market cannot underwrite the cost of a total reform.

As a consequence—concluded the Franco agent—only the American concerns are in a position to undertake this task.

The development of this plan has now entered its final phase. The importance attributed to it by the American concerns emanates from the fact that no less than the President of the Westinghouse Electric Corporation, Mr. Andrew Wells Robertson, was in Spain for over a month discussing the manner of its application.

Robertson was received by Franco on May 19, 1948, and later had many interviews with the Ministers of Foreign Affairs, Public Works and Industry and Commerce, as well as with the directors of the R.E.N.F.E.

On May 25, Mr. Robertson called a press conference in which he said, according to the version published in *La Vanguardia*:

I came to Spain to study the financial conditions of the country caused

by the lack of dollars. The company of which I am president has an extraordinary interest in the plans for electrification of the Spanish railroads. I have already initiated negotiations for the export of materials in the value of approximately 30 million dollars.

Mr. Robertson later revealed that Westinghouse desired to take charge of the entire electrification of the Spanish railroads.

Together with the plan directed toward taking over control of the railroads, the Americans are developing two other parallel projects. As planned by the first of these, they would take charge of the reconstruction of the highways, whose deplorable state is comparable only with that of the railroads proper. In exchange for this, the Yankee would receive concessions and special privileges regarding the import and assembly of vehicles, the establishment of highway transport lines and the grant of a transportation monopoly. As planned by the second, the Americans would re-equip Spanish ports in ex-

change for concessions in the free zones and a virtual monopoly in foreign commerce.

Emphasis is not necessary to demonstrate the extreme gravity of the situation which the carrying out these plans involves. The national sentiment is clearly against them because every true Spaniard understands that what this implies is no less than the total loss of national sovereignty and independence, and the conversion of Spain into one more colony of Yankee imperialism.

It is easy to figure out, also, the military character of these plans. In the development of their aggressive policy in Europe, the Americans depend upon utilizing Spain as an arms base. To this end, they are extending and improving the railroad service, the ports, and communications by highway, which are of primary importance.

These are clearly the same plans which the Americans are carrying out already in Turkey, in Iran, and in Greece.

ANOTHER METHOD the Americans are utilizing to dominate our country is the passage of German interests to American control.

The exact amount of German investments in Spain is unknown. As reported by the United States Government (Foreign Economic Administration) the figure cited was 200 million dollars. There is no doubt that this figure is considerably below the actual amount. The Americans, knowing that these interests would pass over to their control, wished to minimize their importance.

On May 10, 1948, an agreement was signed between Franco and the governments of the United States, Britain and France. Despite the complicated formalities with which the Falangists wish to cover this transaction, one thing is evident: the Americans are taking over control of the Nazi interests. This fact hardly needs to be further emphasized. The importance of the positions which the Hitlerites secured in Spain while Franco acted as their lackey and stooge is well known.

The Nazis controlled the chemical and pharmaceutical industries and held strong positions in the mining

and metallurgical industries and in the fields of machinery construction and electrical materials, among others. All of these interests have already passed to the control of the Americans.

Two large groups have been formed in the chemical industry. The first in Bilbao: the *General Quimica, S.A.*, (General Chemical) comprising the Banks of Vizcays and Bilbao, the *Altos Hornos*, in which are included the old German firms, *Union Quimica del Norte de Espana*, (UNQUINESA), *Sociedad Espanola de Fabricaciones Nitrogenadas, S.A.*, (SEFANITRO), and *Nitratos de Castilla, S.A.*, (NICA). The second in Madrid, composed of the Urquijo Bank and the Hispano-Americano Bank in which are included the *Union Espanola de Explosivos* (affiliated to the Imperial Chemical Industries, the American trust, Du Pont de Nemours, and the German I. G. Farben), and the German firms, *S.A. Cros*, and *Electroquimica de Flix, S.A.* The dozens of Hitlerian chemical and pharmaceutical industries of minor importance are being distributed among these two groups.

Both groups are already closely

linked to the Americans as a result of old relationships and new links that are being established. The Falangist newspaper, *Pueblo* of April 26, 1948, reveals that the first action on the part of the new and gigantic enterprise known as *General Quimica, S.A.* was to have the American engineers and financiers, Donald F. Othmer and Robert S. Aries come to Spain. Commenting on the conclusion of this trip, this newspaper added: "The Doctors Othmer and Aries, who have relations with various important American concerns, are the authors of an important report concerning the possibilities of our industry and the application of American methods to the same."

This same paper, mentioned the presence in Spain of Lord McGowen, President of the Imperial Chemical Industries, in connection with the other chemical groups.

To give an idea of the important interests which the Hitlerites controlled in Spanish mines, it is sufficient to state that only one of their enterprises, the *Industrias Reunidas Minero-Metalurgicas, S.A.* had heavy investments in the mining concerns of *Hulleras de Turon, Minera de Dicido, Berilio y Radio Espanol, Hulleras del Sabero y Anexas, Industrial Asturiana Santa Barbara*, and maintained relations with a dozen more mining enterprises and with important factories for metal construction, aeronautics and railroads.

Besides, the president of this organization and the vice president of *Altos Hornos*, Alfonso de Churruca y Calbeton, is also president of the *Instituto del Hierro y Acero*, (Iron and Steel Institute) which controls the total production of the iron and steel of the country, a position in which he was placed by the Germans. With the passing of control of this enterprise to the Yankees, they acquire a decisive voice in this sector, which is most important for the national economy.

We also mentioned another means of American penetration, the Yankee domination of various international trusts, which put corresponding enterprises in Spain under their control, regardless of their original ownership. We wish to cite, as an example, the situation in the aluminum industry.

ALUMINUM

Before the war, two enterprises in this field existed in Spain: *Aluminio Espanol, S.A.*, (Spanish Aluminum) with plants in Sabinanigo (Huesca), an affiliate of the *Societe d'Aluminum Francais*, and of the *Manufacturas Metalicas Madrileñas, S.A.*, which is an affiliate of the Aluminum Union, Ltd., of Canada.

In 1940, the Germans organized the *Sociedad General Espanola Aluminio, S.A.*, (Spanish General Aluminum) known as G.E.A.S.A. to which they named the Falangist Gen-

eral Mariano Munoz Castellanos as Vice President of the Board of Directors.

In 1943, the Germans, working through the *Instituto Nacional de Industria* (National Industrial Institute), in collaboration during the war period with *Sociedad Espanola de Construcciones Electro-mecanicas, S.A.* (National Aluminum Enterprise) affiliate of the "enemy" General Electric, with a capital of 40 million pesetas and projected as the most important aluminum plant in Spain. They placed the Basque financier, Julio de Arteche, in charge of it.

The G.E.A.S.A. group has finally organized another new enterprise, *La Alquimia, Cia. Anonima*, which proposes to construct an aluminum plant in Tarragona. In April, 1948, the Hitler agent of Austrian origin, Fritz Bayer, arrived in Barcelona to collaborate in the development of the plans for this enterprise which has obtained control, by the way, of the principal bauxite deposits of the country.

With the defeat of Hitler, all of the enterprises operating under the auspices of the Nazis have proceeded to place themselves under American protection. The G.E.A.S.A.-Alquimia, C.A. group linked itself to Dorr and Company of New York and the E.N.D.A.S.A. to the Enfield Rolling Mills of the British Aluminum Company group.

However, the *Societe d'Aluminium Francais* as well as the Aluminum Union Ltd., of Canada and the British Aluminum Company are nothing more than affiliates in the great world aluminum trust totally dominated by the Aluminum Company of America.

The aluminum industry offers, therefore, another obvious example of the close co-operation among the Falangists of the I.N.I., the remains of the Hitlerite interests, the large Spanish capitalists and the American monopolists.

AUTOMOBILES

Hispano-Suiza (Automobile enterprise) was a combine of German, Swiss, French and Spanish capital. In Spain, they control the *Hispano Suiza-Fabrica de Automobiles, S.A.* (Hispano Suiza—Automobile Factory) of Barcelona whose President is Miguel Mateu Pla, who was the Franco Ambassador in Paris. In 1942, Marc Birkight, the German director of the French plant of Hispano and counsellor of the Spanish concern, founded the Hispano-Aviation, S.A. in Madrid with a capital of 30 million pesetas of which 10 million were invested by the I.N.I.

With the liberation of France, Hispano-Suiza signed a contract with Ford which acquired 33 1/3 percent of the business of the Hispano. The director of the Ford-Française, Maurice Dolfus, became a member of the

Board of Directors of the Hispano.

Simultaneously, in Spain, the I.N.I. in co-operation with Hispano-Suiza created the *Empresa Nacional de Automobiles, S.A.* known as E.N.A.S.A. which exhibited a truck at the last Barcelona Fair bearing the trademark, *Pegaso* with a Diesel-Hercules motor manufactured by Ford.

In this manner, Ford, besides his own plant in Spain, the *Ford Motor Iberica, S.A.*, also controls the Hispano-Suiza, the Hispano-Aviation, and the E.N.A.S.A.

The Americans also reinforce their positions in Spain as a result of obtaining important enterprises of other countries which have affiliates in our country. That is the situation of some of the better known Italian enterprises such as *Hispano-Olivetti*; the three concerns comprising *PIRELLI: Productos Pirelli, S.A., Nacional, Pirelli, S.A.,* and *Comercial Pirelli, S.A.*; the *Snia Viscosa* and its important affiliate the *SNIACE*, with a rayon plant in Torrelavega (Santander), etc.

We wish to point up the case of Fiat automobiles and Lancia. Both Italian enterprises had affiliates in Spain. Both have become the property of the powerful American automobile trust, General Motors.

General Motors through Fiat has reached an agreement with a group of metallurgical concerns controlled by the Urquijo Bank to construct the small Fiat type cars in Spain.

The enterprise which they have in mind, according to *El Economista* of August 10, will be organized in September and will also include the Falangists of the I.N.I.

MERCURY

The Yankees want to obtain Spanish mercury. As is known, the control of the world-wide sale of mercury of Almaden was in the hands of the *El Mercurio Europeo* trust with headquarters in London. The Americans will not permit the British to possess a monopoly of a product of such strategic importance. To carry through their plans of ousting the British they have already secured the cooperation of Franco.

Around the middle of 1946, Franco sent the Falangist, Manuel Aznar, to the United States with a concrete offer for development of the Almaden mines by the Americans in exchange for political support and other advantages. *La Vanguardia* of May 1, 1948, announced that an American technician was inspecting the Almaden mines and studying the methods of perfecting operations by the installation of a furnace for the calcination of the mineral which would be seven stories high and capable of handling 100 tons of mineral daily.

The acquisition of the Almaden mines falls perfectly within the American plans for building up reserves of strategic minerals for war.

WE HAVE presented an incomplete picture of American imperialist penetration in Spain. This picture undergoes changes daily because the imperialists proceed at an accelerated pace. Week by week we receive news of new acts of extortion committed by the dollar potentates.

The orientation and policy of the Falangists and the financial and industrial tycoons is totally American. The Marquis de Urquijo, the most outspoken representative of the exploiters, has clearly indicated in a report of the Bank bearing the same name, that there is no other salvation but give up to the American imperialists. There are frequent negotiations between the Spanish and American financiers and their agreements will signify that new enterprises and economic activities of the country will pass into the hands of American imperialism.

Both proceed rapidly. The lackeys of Spain move fast to sell her out. The imperialist gangsters rush to buy, convert Spain into a colony and exploit her national riches, the working class, the people and the country as a whole unmolested. The disciples and servants of Hitler are now the disciples and servants of the new aspirants for world domination.

The American imperialists find the ground already prepared in Spain for their ideological work against democracy and freedom of the people, thanks to the Falangist assassins. Like

Hitler, the Yankee imperialists cover themselves with the bogey of anti-Communism, trying to mask their rapacious plans, their war preparations, their desires for domination and enslavement of peoples.

Under the anti-Communist banner they attack the elementary rights of democratic peoples, bring the national life of these countries under their domination and in turn unite world reaction and the remains of Hitlerism and fascism around them and recruit for their policy of aggression and war all those who place themselves at their service or who are subjected by terror and force.

The "experience" of the Falange is very useful to the American imperialists. Under the anti-Communist banner, the Falangists have committed the most horrible crimes against Spain. Anti-Communism is an excuse for national betrayal, the sale of the most sacred rights of the people, the iniquitous exploitation of the workers, the sinking of the country in the blackness of reaction and the trampling down of the most elementary human rights. The Falangists and their new American masters, both hate and fear the working people, seeing them only as subjects for exploitation and looking for ways to continue their exploitation. The American imperialists believe the Falangist regime to be the best for carrying through their goals in Spain.

Imperialism needs, aids and sup-

ports those who, lacking the most minimum sense of national feeling, already have behind them proof that they consider their homeland an object to be bought and sold, who have demonstrated bloody hatred of democracy and of the people.

The Yankee imperialists are interested in seeing that the terroristic fascist Franco regime lasts in Spain. They support this regime in many and varied ways and cooperate with it. Collaboration between slave and master extends even to the role of the repression of the Spanish democratic movement. We have received reports that organizations of the United States Government cooperate closely with the Falangist police, orient its activities and stimulate its "zeal" against the forces of opposition to the regime, and first of all, against the Communist Party. In the schools where the Falangists instruct the future assassins selected for acts of terror and provocation against the democratic forces, the new masters of the Falangists appear once in a while to inspect the good progress of these "services." The monstrous Falangists report more than ever now to the secret services from the other side of the Atlantic for instructions as to what they have to do.

There are still people of good faith who believe that the American imperialists are democrats. The facts demonstrate, on an international scale as does their conduct in Spain in

particular, that imperialism (that is the great American imperialists), has nothing in common with democracy. Quite to the contrary, it is incompatible with democracy and sovereignty. Their interests in democracy did not make the imperialists become active in Spain. They come to Spain to exploit us, to obtain benefits from the blood and sweat of the Spaniards, to convert Spain into a colony and into an armed base for their plans of aggression and war. The fascist regime, a regime of terror, misery and decadence, allies itself to the imperialists in their plans for exploiting Spain, in their war plans, and in the sale of Spain in exchange for support in order to exist as an anti-national, anti-democratic regime, an instrument of the nation's exploiters.

These events should be viewed with clarity. Propaganda launched by the imperialists themselves tends to make us believe that their actions are democratic. We don't overlook the fact that, in the republican camp, this labor of throwing sand into one's eyes prevents some sincere and truly democratic people and lovers of Spain from seeing things clearly. They do not see the dangers because of a kind of "democratic" protective coloration which is assumed by the "great democracy" of the United States. Belief in this "democratic" mask makes it difficult for them to understand the true situation which exists.

The truth is that imperialism never brings liberty, progress and democracy either to Spain or anywhere else, but, on the contrary, carries with it tyranny, oppression and reaction. There are still Spaniards who believe that the situation in Spain will be solved by the imperialists by returning to our people their regime lost at the hands of the Nazis and Falangists! Crass error and dangerous illusion! While some people believe this, the imperialists extend their claws more and more over Spain, depress further the living conditions in Spain, and the independence and sovereignty of our native land is lost.

The united actions of imperialism and Falangism demands the constitution of a strong, democratic and

patriotic front for the independence of Spain, for the sovereign right of the Spanish people to dictate their own destinies. Law in Spain should not be made by either the imperialists or their Falangist servants but by the Spanish people. Our heroic and valiant people, lovers of democracy and of the Republic, fighting vanguard of the nation, show the way to all patriotic elements who aspire to a free, independent and sovereign Spain. Struggle and unity will reap their harvest by returning independence to our homeland, eliminating the foreign oppressors and Falangist lackeys from our country, bringing about a new life of freedom and a Spain where Spaniards will truly be owners of their own destiny.

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